

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **July 13, 2004**

AGENDA ITEM NO.: 7

CONSENT: **X**

REGULAR:

CLOSED SESSION:

ACTION: **X**

INFORMATION:

(Confidential)

ITEM TITLE: **Amend Section 36-189 Of The City Code Which Imposes A Local Recordation Tax On Instruments That Are Recorded In The Circuit Court Clerk's Office**

RECOMMENDATION: Adopt an ordinance amending Section 36-189 of the City Code, which imposes a local recordation tax on instruments that are recorded in the Circuit Court Clerk's Office so the language in the City Code will be consistent with the language in the State Code.

SUMMARY: The State Code allows local governments to impose a local recordation tax on deeds, deeds of trust, contracts and other similar instruments which are recorded in the records in the Circuit Court Clerk's Office. The amount of the local tax is one-third (1/3) of the amount of the state recordation tax. On July 1, 1978 the City of Lynchburg adopted an ordinance imposing a local recordation tax. When the ordinance was adopted it paralleled the language in the State Code. Since 1978 the State Code has been recodified and the language allowing local governments to impose a local recordation tax has been changed. As a result of these changes the City Code is no longer consistent with the State Code. The City Attorney's Office recommends that Section 36-189 of the City Code, which imposes a local recordation tax, be amended so the language in the City Code will be consistent with the language in the State Code. The proposed ordinance is for house-keeping purposes only, and does not make any substantive changes in the local recordation tax.

PRIOR ACTION(S): None

FISCAL IMPACT: None

CONTACT(S): Walter C. Erwin, 455-3973

ATTACHMENT(S): An ordinance amending Section 36-189 of the City Code

REVIEWED BY: lkp

ORDINANCE

AN ORDINANCE TO AMEND AND REENACT SECTION 36-189 OF THE CODE OF THE CITY OF LYNCHBURG, 1981, THE AMENDED SECTION IMPOSES A LOCAL RECORDATION TAX ON INSTRUMENTS THAT ARE RECORDED IN THE CIRCUIT COURT CLERK'S OFFICE.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LYNCHBURG:

1. That Section 36-189 of the Code of the City of Lynchburg, 1981, be and the same is hereby amended and reenacted as follows:

Sec. 36-189. Recordation tax.

Pursuant to Section ~~58-65.1~~ 58.1-814, Code of Virginia (1950), as amended, in addition to the recordation tax imposed by the Commonwealth of Virginia, there is hereby imposed a city recordation tax in an amount equal to one-third (1/3rd) of the amount of the state recordation tax collectible for the state on the first recordation of each taxable instrument in this city; provided, however, ~~that, except in a case in which the state recordation tax is fifty cents (\$0.50) specifically,~~ where a deed or other instrument conveys, covers or relates to property located partially in this city and also to property located partially in another city or county or in other counties or cities, the tax imposed under the authority of this section shall be computed only with respect to the property located in this city.

2. That this ordinance shall become effective upon its adoption.

Adopted:

Certified:

Clerk of Council

086L